

## Message Text

UNCLASSIFIED

PAGE 01 MONTRE 01382 150331Z  
ACTION EUR-12

INFO OCT-01 ISO-00 COME-00 EB-08 OPIC-06 LAB-04 SIL-01  
TRSE-00 FRB-01 CIAE-00 INR-10 NSAE-00 PA-02 ICA-20  
/065 W

-----035321 152353Z /70

R 132105Z JUL 78  
FM AMCONSUL MONTREAL  
TO SECSTATE WASHDC 778  
INFO AMEMBASSY OTTAWA  
AMCONSUL QUEBEC  
AMCONSUL TORONTO

UNCLAS MONTREAL 1382

E.O. 11652: NA  
TAGS: ECON, CA  
SUBJECT: SUN LIFE SUFFERS A LITTLE

1. FRONT PAGE ARTICLE IN FINANCIAL POST OF JULY 15 REPORTS THAT SUN LIFE IS FINDING BUSINESS A GOOD BIT TOUGHER, REFLECTING BOTH LACK OF AGGRESSIVE MANAGEMENT AND REACTION IN QUEBEC TO ANNOUNCED MOVE OF HEAD OFFICE TO TORONTO. BIGGEST PROBLEM IS SAID TO BE DEFECTION OF SOME 25 PERCENT OF SUN LIFE'S SALES FORCE OF 400 IN QUEBEC, WHERE SALES FOR MONTH OF APRIL WERE SAID TO BE DOWN BY 26 PERCENT. DECLINE IN QUEBEC, WHICH REPRESENTS ABOUT A THIRD OF SUN LIFE'S CANADIAN PREMIUM INCOME, IS PARTICULARLY PAINFUL, AS SUN LIFE'S GROWTH RATE OVER LAST SEVERAL YEARS HAS LAGGED COMPETITION, AND RESULTS THIS YEAR IN CANADIAN MARKET PROMISE TO BE WORSE. COMPARED TO TOTAL INDUSTRY SALES GAINS OF 12 PERCENT IN QUEBEC AND 14 PERCENT IN CANADA FOR FIRST FOUR MONTHS OF YEAR. SUN LIFE REGISTERED DECLINE OF 1 PERCENT IN CANADIAN MARKET. (WORLDWIDE SALES FOR SUN LIFE, HOWEVER, WERE UP BY ABOUT 11 PERCENT FOR FIRST FOUR MONTHS.)

2. FINANCIAL POST REPORTS THAT MORALE WITHIN SUN LIFE IS POOR, AND THAT COMPANY, ALTHOUGH STILL CANADA'S LARGEST LIFE INSURANCE  
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 MONTRE 01382 150331Z

COMPANY IN TERMS OF ASSETS, HAS SUFFERED FROM LACKLUSTRE MANAGEMENT OVER PERIOD OF YEARS. UNUSUAL ASPECT OF FINANCIAL POST'S ARTICLE IS SEPARATE COLUMN TAKING COMPANY TO TASK FOR ITS POOR PERFORMANCE IN PUBLIC RELATIONS AREA, APPARENTLY PROMPTED BY DECISION ON PART OF SUN LIFE MANAGEMENT TO AVOID PRESS INTERVIEWS. FINANCIAL POST COMMENTS THAT COMPANY WITH DOLS 5.5 BILLION IN ASSETS, EMPLOYING LARGE NUMBERS OF PEOPLE, CAN

NO LONGER EXPECT TO HIDE BEHIND MINIMAL GOVERNMENT REPORTING REQUIREMENTS.

3. COMMENT: WHILE SOME HAD HOPED THAT SUN LIFE, WHICH HAS LONG HAD REPUTATION IN MONTREAL BUSINESS COMMUNITY AS STAND-OFFISH AND INSULAR, WOULD LEARN FROM ITS MISHANDLING OF HEAD OFFICE MOVE, SUCH IS APPARENTLY NOT THE CASE.  
HARPER

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** INSURANCE, BUSINESS FIRMS, ECONOMIC REPORTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 13 jul 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 jan 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978MONTRE01382  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780291-0766  
**Format:** TEL  
**From:** MONTREAL  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780764/aaaaccdk.tel  
**Line Count:** 70  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** fb52da75-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EUR  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 29 mar 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2021821  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SUN LIFE SUFFERS A LITTLE  
**TAGS:** ECON, CA, SUN LIFE  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odhc://SAS/SAS.dbo.SAS\_Docs/fb52da75-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014